
ENGROSSED SUBSTITUTE SENATE BILL 6357

State of Washington

53rd Legislature

1994 Regular Session

By Senate Committee on Government Operations (originally sponsored by Senator Quigley)

Read first time 02/04/94.

1 AN ACT Relating to the creation of the liquor control agency;
2 amending RCW 66.04.010, 66.08.012, 66.08.014, 66.08.020, 66.08.030,
3 66.08.060, 66.08.070, 66.08.075, 66.08.090, 66.08.100, 10.93.020,
4 19.02.050, and 43.82.010; reenacting and amending RCW 43.17.010,
5 43.17.020, and 42.17.2401; adding new sections to chapter 66.08 RCW;
6 creating new sections; repealing RCW 66.08.016, 66.08.050, and
7 66.08.150; and providing an effective date.

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

9 **Sec. 1.** RCW 66.04.010 and 1991 c 192 s 1 are each amended to read
10 as follows:

11 In this title, unless the context otherwise requires:

12 (1) "Agency" means the liquor control agency, the state agency
13 established under section 2 of this act.

14 (2) "Alcohol" is that substance known as ethyl alcohol, hydrated
15 oxide of ethyl, or spirit of wine, which is commonly produced by the
16 fermentation or distillation of grain, starch, molasses, or sugar, or
17 other substances including all dilutions and mixtures of this
18 substance. The term "alcohol" does not include alcohol in the
19 possession of a manufacturer or distiller of alcohol fuel, as described

1 in RCW 66.12.130, which is intended to be denatured and used as a fuel
2 for use in motor vehicles, farm implements, and machines or implements
3 of husbandry.

4 ~~((+2))~~ (3) "Beer" means any malt beverage or malt liquor as these
5 terms are defined in this chapter.

6 ~~((+3))~~ (4) "Board" means the liquor control review board comprised
7 of five individuals appointed by the governor to conduct hearings on
8 appeals of certain actions of the director.

9 (5) "Brewer" means any person engaged in the business of
10 manufacturing beer and malt liquor.

11 ~~((+4))~~ ~~"Board" means the liquor control board, constituted under~~
12 ~~this title.~~

13 ~~(+5))~~ (6) "Club" means an organization of persons, incorporated or
14 unincorporated, operated solely for fraternal, benevolent, educational,
15 athletic or social purposes, and not for pecuniary gain.

16 ~~((+6))~~ (7) "Consume" includes the putting of liquor to any use,
17 whether by drinking or otherwise.

18 ~~((+7))~~ (8) "Dentist" means a practitioner of dentistry duly and
19 regularly licensed and engaged in the practice of his or her profession
20 within the state pursuant to chapter 18.32 RCW.

21 ~~((+8))~~ (9) "Director" means the director of the liquor control
22 agency.

23 (10) "Distiller" means a person engaged in the business of
24 distilling spirits.

25 ~~((+9))~~ (11) "Druggist" means any person who holds a valid
26 certificate and is a registered pharmacist and is duly and regularly
27 engaged in carrying on the business of pharmaceutical chemistry
28 pursuant to chapter 18.64 RCW.

29 ~~((+10))~~ (12) "Drug store" means a place whose principal business
30 is, the sale of drugs, medicines and pharmaceutical preparations and
31 maintains a regular prescription department and employs a registered
32 pharmacist during all hours the drug store is open.

33 ~~((+11))~~ (13) "Employee" means any person employed by the ~~((board))~~
34 director, including a vendor, as hereinafter in this section defined.

35 ~~((+12))~~ (14) "Fund" means 'liquor revolving fund.'

36 ~~((+13))~~ (15) "Hotel" means every building or other structure kept,
37 used, maintained, advertised or held out to the public to be a place
38 where food is served and sleeping accommodations are offered for pay to
39 transient guests, in which twenty or more rooms are used for the

1 sleeping accommodation of such transient guests and having one or more
2 dining rooms where meals are served to such transient guests, such
3 sleeping accommodations and dining rooms being conducted in the same
4 building and buildings, in connection therewith, and such structure or
5 structures being provided, in the judgment of the (~~board~~) director,
6 with adequate and sanitary kitchen and dining room equipment and
7 capacity, for preparing, cooking and serving suitable food for its
8 guests: PROVIDED FURTHER, That in cities and towns of less than five
9 thousand population, the (~~board~~) director shall have authority to
10 waive the provisions requiring twenty or more rooms.

11 (~~(14)~~) (16) "Imprisonment" means confinement in the county jail.

12 (~~(15)~~) (17) "Liquor" includes the four varieties of liquor herein
13 defined (alcohol, spirits, wine and beer), and all fermented,
14 spirituous, vinous, or malt liquor, or combinations thereof, and mixed
15 liquor, a part of which is fermented, spirituous, vinous or malt
16 liquor, or otherwise intoxicating; and every liquid or solid or
17 semisolid or other substance, patented or not, containing alcohol,
18 spirits, wine or beer, and all drinks or drinkable liquids and all
19 preparations or mixtures capable of human consumption, and any liquid,
20 semisolid, solid, or other substance, which contains more than one
21 percent of alcohol by weight shall be conclusively deemed to be
22 intoxicating. Liquor does not include confections or food products
23 that contain one percent or less of alcohol by weight.

24 (~~(16)~~) (18) "Manufacturer" means a person engaged in the
25 preparation of liquor for sale, in any form whatsoever.

26 (~~(17)~~) (19) "Malt beverage" or "malt liquor" means any beverage
27 such as beer, ale, lager beer, stout, and porter obtained by the
28 alcoholic fermentation of an infusion or decoction of pure hops, or
29 pure extract of hops and pure barley malt or other wholesome grain or
30 cereal in pure water containing not more than eight percent of alcohol
31 by weight, and not less than one-half of one percent of alcohol by
32 volume. For the purposes of this title, any such beverage containing
33 more than eight percent of alcohol by weight shall be referred to as
34 "strong beer."

35 (~~(18)~~) (20) "Package" means any container or receptacle used for
36 holding liquor.

37 (~~(19)~~) (21) "Permit" means a permit for the purchase of liquor
38 under this title.

1 (~~(20)~~) (22) "Person" means an individual, copartnership,
2 association, or corporation.

3 (~~(21)~~) (23) "Physician" means a medical practitioner duly and
4 regularly licensed and engaged in the practice of his or her profession
5 within the state pursuant to chapter 18.71 RCW.

6 (~~(22)~~) (24) "Prescription" means a memorandum signed by a
7 physician and given by him or her to a patient for the obtaining of
8 liquor pursuant to this title for medicinal purposes.

9 (~~(23)~~) (25) "Public place" includes streets and alleys of
10 incorporated cities and towns; state or county or township highways or
11 roads; buildings and grounds used for school purposes; public dance
12 halls and grounds adjacent thereto; those parts of establishments where
13 beer may be sold under this title, soft drink establishments, public
14 buildings, public meeting halls, lobbies, halls and dining rooms of
15 hotels, restaurants, theatres, stores, garages and filling stations
16 which are open to and are generally used by the public and to which the
17 public is permitted to have unrestricted access; railroad trains,
18 stages, and other public conveyances of all kinds and character, and
19 the depots and waiting rooms used in conjunction therewith which are
20 open to unrestricted use and access by the public; publicly owned
21 bathing beaches, parks, and/or playgrounds; and all other places of
22 like or similar nature to which the general public has unrestricted
23 right of access, and which are generally used by the public.

24 (~~(24)~~) (26) "Regulations" or "rules" means (~~(regulations made)~~)
25 rules adopted under chapter 34.05 RCW by the (~~(board)~~) agency under the
26 powers conferred by this title.

27 (~~(25)~~) (27) "Restaurant" means any establishment provided with
28 special space and accommodations where, in consideration of payment,
29 food, without lodgings, is habitually furnished to the public, not
30 including drug stores and soda fountains.

31 (~~(26)~~) (28) "Sale" and "sell" include exchange, barter, and
32 traffic; and also include the selling or supplying or distributing, by
33 any means whatsoever, of liquor, or of any liquid known or described as
34 beer or by any name whatever commonly used to describe malt or brewed
35 liquor or of wine, by any person to any person; and also include a sale
36 or selling within the state to a foreign consignee or his or her agent
37 in the state. "Sale" and "sell" shall not include the giving, at no
38 charge, of a reasonable amount of liquor by a person not licensed by
39 the (~~(board)~~) agency to a person not licensed by the (~~(board)~~) agency,

1 for personal use only. "Sale" and "sell" also does not include a
2 raffle authorized under RCW 9.46.0315: PROVIDED, That the nonprofit
3 organization conducting the raffle has obtained the appropriate permit
4 from the ((board)) agency.

5 ((+27+)) (29) "Soda fountain" means a place especially equipped
6 with apparatus for the purpose of dispensing soft drinks, whether mixed
7 or otherwise.

8 ((+28+)) (30) "Spirits" means any beverage which contains alcohol
9 obtained by distillation, including wines exceeding twenty-four percent
10 of alcohol by volume.

11 ((+29+)) (31) "Store" means a state liquor store established under
12 this title.

13 ((+30+)) (32) "Tavern" means any establishment with special space
14 and accommodation for sale by the glass and for consumption on the
15 premises, of beer, as herein defined.

16 ((+31+)) (33) "Vendor" means a person employed by the ((board))
17 agency as a store manager under this title.

18 ((+32+)) (34) "Winery" means a business conducted by any person for
19 the manufacture of wine for sale, other than a domestic winery.

20 ((+33+)) (35) "Domestic winery" means a place where wines are
21 manufactured or produced within the state of Washington.

22 ((+34+)) (36) "Wine" means any alcoholic beverage obtained by
23 fermentation of fruits (grapes, berries, apples, et cetera) or other
24 agricultural product containing sugar, to which any saccharine
25 substances may have been added before, during or after fermentation,
26 and containing not more than twenty-four percent of alcohol by volume,
27 including sweet wines fortified with wine spirits, such as port,
28 sherry, muscatel and angelica, not exceeding twenty-four percent of
29 alcohol by volume and not less than one-half of one percent of alcohol
30 by volume. For purposes of this title, any beverage containing no more
31 than fourteen percent of alcohol by volume when bottled or packaged by
32 the manufacturer shall be referred to as "table wine," and any beverage
33 containing alcohol in an amount more than fourteen percent by volume
34 when bottled or packaged by the manufacturer shall be referred to as
35 "fortified wine." However, "fortified wine" shall not include: (a)
36 Wines that are both sealed or capped by cork closure and aged two years
37 or more; and (b) wines that contain more than fourteen percent alcohol
38 by volume solely as a result of the natural fermentation process and

1 that have not been produced with the addition of wine spirits, brandy,
2 or alcohol.

3 This subsection shall not be interpreted to require that any wine
4 be labeled with the designation "table wine" or "fortified wine."

5 ~~((+35+))~~ (37) "Beer wholesaler" means a person who buys beer from
6 a brewer or brewery located either within or beyond the boundaries of
7 the state for the purpose of selling the same pursuant to this title,
8 or who represents such brewer or brewery as agent.

9 ~~((+36+))~~ (38) "Wine wholesaler" means a person who buys wine from
10 a vintner or winery located either within or beyond the boundaries of
11 the state for the purpose of selling the same not in violation of this
12 title, or who represents such vintner or winery as agent.

13 NEW SECTION. **Sec. 2.** A new section is added to chapter 66.08 RCW
14 to read as follows:

15 There is an agency of state government known as the "Washington
16 state liquor control agency."

17 The executive head of the liquor control agency is the director.
18 The director is appointed by, and serves at the pleasure of, the
19 governor. The appointment of the director is subject to confirmation
20 by the senate. The director is paid a salary to be fixed by the
21 governor in accordance with RCW 43.03.040. The director shall have:
22 (1) At least five years of demonstrated successful business or public
23 management experience; (2) demonstrable competence in establishing and
24 using management information systems; and (3) a demonstrated
25 understanding of distribution and retail sales operations and the
26 relevance of that knowledge to the Washington's controlled sales
27 environment.

28 NEW SECTION. **Sec. 3.** All powers, duties, and functions vested by
29 law in the liquor control board are transferred to the director of the
30 liquor control agency, except those powers, duties, and functions which
31 are expressly assigned to the liquor control review board. This
32 transfer shall take place July 1, 1995. This act does not create a new
33 agency, but establishes the Washington state liquor control review
34 board and provides for a new administrative structure within the
35 renamed agency.

1 NEW SECTION. **Sec. 4.** A new section is added to chapter 66.08 RCW
2 to read as follows:

3 There shall be a right of appeal of decisions of the director made
4 under RCW 66.24.010, on decisions made under the authority granted to
5 the director under RCW 66.08.030(2)(a), on decisions made under chapter
6 66.44 RCW, or on decisions made under section 9(9) of this act. These
7 appeals shall be heard by the liquor control review board.

8 The final decision of the liquor control review board shall be an
9 adjudicative proceeding and subject to the applicable provisions of
10 chapter 34.05 RCW.

11 **Sec. 5.** RCW 66.08.012 and 1961 c 307 s 7 are each amended to read
12 as follows:

13 (~~There shall be a board, known as the "Washington state liquor~~
14 ~~control board," consisting of three~~) The liquor control review board
15 shall consist of five members, to be appointed by the governor, with
16 the consent of the senate, ((who shall)) to serve six-year staggered
17 terms. Each member shall be ((paid an annual salary to be fixed by the
18 governor in accordance with the provisions of RCW 43.03.040))
19 compensated in accordance with RCW 43.03.250 and shall be reimbursed
20 for travel expenses in accordance with RCW 43.03.050 and 43.03.060.
21 The governor may, in his or her discretion, appoint one of the members
22 as ((chairman)) chair of the board, and a majority of the members shall
23 constitute a quorum of the board. The board shall meet to hear appeals
24 on licensing decisions made under RCW 66.24.010, on decisions made
25 under the authority granted by RCW 66.08.030(2)(a), on decisions made
26 under chapter 66.44 RCW, or on decisions made under section 9(9) of
27 this act.

28 **Sec. 6.** RCW 66.08.014 and 1986 c 105 s 1 are each amended to read
29 as follows:

30 (1) The members of the board (~~to be appointed after December 2,~~
31 ~~1948~~) shall be appointed for terms beginning (~~January 15, 1949~~) July
32 1, 1995, and expiring as follows: (~~One member~~) Two members of the
33 board for ((a)) terms of (~~three~~) two years from (~~January 15, 1949;~~
34 ~~one member~~) July 1, 1995; two members of the board for ((a)) terms of
35 (~~six~~) four years from (~~January 15, 1949~~) July 1, 1995; and one
36 member of the board for a term of (~~nine~~) six years from (~~January 15,~~
37 ~~1949~~) July 1, 1995. Each of the members of the board appointed

1 hereunder shall hold office until his or her successor is appointed and
2 qualified. (~~After June 11, 1986, the term that began on January 15,~~
3 ~~1985, will end on January 15, 1989, the term beginning on January 15,~~
4 ~~1988, will end on January 15, 1993, and the term beginning on January~~
5 ~~15, 1991, will end on January 15, 1997.)~~) Thereafter, upon the
6 expiration of the term of any member appointed after (~~June 11, 1986~~)
7 July 1, 1995, each succeeding member of the board shall be appointed
8 and hold office for the term of six years. In case of a vacancy, it
9 shall be filled by appointment by the governor for the unexpired
10 portion of the term in which said vacancy occurs. No vacancy in the
11 membership of the board shall impair the right of the remaining member
12 or members to act, except as herein otherwise provided.

13 (2) The principal office of the board shall be at the state
14 capitol(~~, and it may establish such other offices as it may deem~~
15 ~~necessary~~)).

16 (3) Any member of the board may be removed for inefficiency,
17 malfeasance or misfeasance in office, upon specific written charges
18 filed by the governor, who shall transmit such written charges to the
19 member accused and to the chief justice of the supreme court. The
20 chief justice shall thereupon designate a tribunal composed of three
21 judges of the superior court to hear and adjudicate the charges. Such
22 tribunal shall fix the time of the hearing, which shall be public, and
23 the procedure for the hearing, and the decision of such tribunal shall
24 be final and not subject to review by the supreme court. Removal of
25 any member of the board by the tribunal shall disqualify such member
26 for reappointment.

27 (~~(4) Each member of the board shall devote his entire time to the~~
28 ~~duties of his office and no member of the board shall hold any other~~
29 ~~public office. Before entering upon the duties of his office, each of~~
30 ~~said members of the board shall enter into a surety bond executed by a~~
31 ~~surety company authorized to do business in this state, payable to the~~
32 ~~state of Washington, to be approved by the governor in the penal sum of~~
33 ~~fifty thousand dollars conditioned upon the faithful performance of his~~
34 ~~duties, and shall take and subscribe to the oath of office prescribed~~
35 ~~for elective state officers, which oath and bond shall be filed with~~
36 ~~the secretary of state. The premium for said bond shall be paid by the~~
37 ~~board.~~)

1 **Sec. 7.** RCW 66.08.020 and 1933 ex.s. c 62 s 5 are each amended to
2 read as follows:

3 The administration of this title, including the general control,
4 management, and supervision of all liquor stores, shall be vested in
5 the (~~liquor control board, constituted under this title.~~) director,
6 who shall carry out this administrative function in accordance with the
7 rules adopted under this title.

8 In addition to any other powers granted or transferred to the
9 director, the director shall have the following powers and duties as
10 may be necessary to carry out the purposes of this title:

11 (1) Supervise and administer the operations of the liquor control
12 agency in accordance with the provisions of this title;

13 (2) Appoint personnel and prescribe their duties;

14 (3) Enter into contracts on behalf of the agency;

15 (4) Accept and expend donations, grants, or other funds;

16 (5) Delegate powers, duties, and functions of the liquor control
17 agency to employees of the agency as the director deems necessary to
18 ensure efficient administration;

19 (6) Appoint advisory committees and undertake studies, research,
20 and analysis necessary to support activities of the agency;

21 (7) Perform such other duties as are consistent with this title;
22 and

23 (8) The director may summarily suspend a license or permit for a
24 period of up to thirty days without a prior hearing if he or she finds
25 that public health, safety, or welfare imperatively require emergency
26 action, and incorporates a finding to that effect in his or her order;
27 and proceedings for revocation or other action must be promptly
28 instituted and determined.

29 **Sec. 8.** RCW 66.08.030 and 1977 ex.s. c 115 s 1 are each amended to
30 read as follows:

31 (1) For the purpose of carrying into effect the provisions of this
32 title according to their true intent or of supplying any deficiency
33 therein, the (~~board may make such regulations~~) director may adopt
34 those rules not inconsistent with the spirit of this title as are
35 deemed necessary or advisable. All (~~regulations~~) rules so made shall
36 be a public record and shall be filed in the office of the code
37 reviser, and thereupon shall have the same force and effect as if
38 incorporated in this title. Such (~~regulations~~) rules, together with

1 a copy of this title, shall be published in pamphlets and shall be
2 distributed as directed by the ~~((board))~~ director.

3 (2) The director shall adopt rules applicable to adjudicative
4 proceedings that are subject to the applicable provisions of chapter
5 34.05 RCW as provided in (a), (b), and (c) of this subsection.

6 (a) An opportunity for a hearing may be provided an applicant for
7 the reissuance of a permit or license prior to the disposition of the
8 application, and if no such opportunity for a prior hearing is provided
9 then an opportunity for a hearing to reconsider the application must be
10 provided the applicant.

11 (b) An opportunity for a hearing must be provided a permittee or
12 licensee prior to a revocation or modification of any permit or license
13 and, except as provided in RCW 66.08.020(8), prior to the suspension of
14 any permit or license.

15 (c) No hearing shall be required until demanded by the applicant,
16 permittee, or licensee.

17 (3) Without thereby limiting the generality of the provisions
18 contained in subsection (1) of this section, it is declared that the
19 power of the ~~((board to make regulations))~~ director to adopt rules in
20 the manner set out in that subsection shall extend to:

21 ~~((regulating the equipment and management of stores and~~
22 ~~warehouses in which state liquor is sold or kept, and prescribing the~~
23 ~~books and records to be kept therein and the reports to be made thereon~~
24 ~~to the board;~~

25 ~~((b) prescribing the duties of the employees of the board, and~~
26 ~~regulating their conduct in the discharge of their duties;~~

27 ~~((e))) Governing the purchase of liquor by the state and the~~
28 ~~furnishing of liquor to stores established under this title;~~

29 ~~((d))) (b) Determining the classes, varieties, and brands of~~
30 ~~liquor to be kept for sale at any store;~~

31 ~~((e))) (c) Prescribing, subject to RCW 66.16.080, the hours during~~
32 ~~which the state liquor stores shall be kept open for the sale of~~
33 ~~liquor;~~

34 ~~((f))) (d) Providing for the issuing and distributing of price~~
35 ~~lists showing the price to be paid by purchasers for each variety of~~
36 ~~liquor kept for sale under this title;~~

37 ~~((g))) (e) Prescribing an official seal and official labels and~~
38 ~~stamps and determining the manner in which they shall be attached to~~
39 ~~every package of liquor sold or sealed under this title, including the~~

1 prescribing of different official seals or different official labels
2 for different classes of liquor;

3 (~~(h)~~) (f) Providing for the payment by the (~~(board)~~) liquor
4 control agency in whole or in part of the carrying charges on liquor
5 shipped by freight or express;

6 (~~(i)~~) (g) Prescribing forms to be used for purposes of this title
7 or the (~~(regulations)~~) rules, and the terms and conditions to be
8 contained in permits and licenses issued under this title;

9 (~~(j)~~) (h) Prescribing the fees payable in respect of permits and
10 licenses issued under this title for which no fees are prescribed in
11 this title, and prescribing the fees for anything done or permitted to
12 be done under the (~~(regulations)~~) rules;

13 (~~(k)~~) (i) Prescribing the kinds and quantities of liquor which
14 may be kept on hand by the holder of a special permit for the purposes
15 named in the permit, regulating the manner in which the same shall be
16 kept and disposed of, and providing for the inspection of the same at
17 any time at the instance of the (~~(board)~~) director;

18 (~~(l)~~) (j) Regulating the sale of liquor kept by the holders of
19 licenses which entitle the holder to purchase and keep liquor for sale;

20 (~~(m)~~) (k) Prescribing the records of purchases or sales of liquor
21 kept by the holders of licenses, and the reports to be made thereon to
22 the (~~(board)~~) agency, and providing for inspection of the records so
23 kept;

24 (~~(n)~~) (l) Prescribing the kinds and quantities of liquor for
25 which a prescription may be given, and the number of prescriptions
26 which may be given to the same patient within a stated period;

27 (~~(o)~~) (m) Prescribing the manner of giving and serving notices
28 required by this title or the (~~(regulations)~~) rules, where not
29 otherwise provided for in this title;

30 (~~(p)~~) (n) Regulating premises in which liquor is kept for export
31 from the state, or from which liquor is exported, prescribing the books
32 and records to be kept therein and the reports to be made thereon to
33 the (~~(board)~~) agency, and providing for the inspection of the premises
34 and the books, records and the liquor so kept;

35 (~~(q)~~) (o) Prescribing the conditions and qualifications requisite
36 for the obtaining of club licenses and the books and records to be kept
37 and the returns to be made by clubs, prescribing the manner of
38 licensing clubs in any municipality or other locality, and providing
39 for the inspection of clubs;

1 ((~~r~~)) (p) Prescribing the conditions, accommodations and
2 qualifications requisite for the obtaining of licenses to sell beer and
3 wines, and regulating the sale of beer and wines thereunder;

4 ((~~s~~)) (q) Specifying and regulating the time and periods when,
5 and the manner, methods and means by which manufacturers shall deliver
6 liquor within the state; and the time and periods when, and the manner,
7 methods and means by which liquor may lawfully be conveyed or carried
8 within the state;

9 ((~~t~~)) (r) Providing for the making of returns by brewers of their
10 sales of beer shipped within the state, or from the state, showing the
11 gross amount of such sales and providing for the inspection of brewers'
12 books and records, and for the checking of the accuracy of any such
13 returns;

14 ((~~u~~)) (s) Providing for the making of returns by the wholesalers
15 of beer whose breweries are located beyond the boundaries of the state;

16 ((~~v~~)) (t) Providing for the making of returns by any other liquor
17 manufacturers, showing the gross amount of liquor produced or
18 purchased, the amount sold within and exported from the state, and to
19 whom so sold or exported, and providing for the inspection of the
20 premises of any such liquor manufacturers, their books and records, and
21 for the checking of any such return;

22 ((~~w~~)) (u) Providing for the giving of fidelity bonds by any or
23 all of the employees of the (~~board~~) liquor control agency: PROVIDED,
24 That the premiums therefor shall be paid by the (~~board~~) agency;

25 ((~~x~~)) (v) Providing for the shipment by mail or common carrier of
26 liquor to any person holding a permit and residing in any unit which
27 has, by election pursuant to this title, prohibited the sale of liquor
28 therein;

29 ((~~y~~)) (w) Prescribing methods of manufacture, conditions of
30 sanitation, standards of ingredients, quality and identity of alcoholic
31 beverages manufactured, sold, bottled, or handled by licensees and the
32 (~~board~~) liquor control agency; and conducting from time to time, in
33 the interest of the public health and general welfare, scientific
34 studies and research relating to alcoholic beverages and the use and
35 effect thereof;

36 ((~~z~~)) (x) Seizing, confiscating and destroying all alcoholic
37 beverages manufactured, sold or offered for sale within this state
38 which do not conform in all respects to the standards prescribed by
39 this title or the (~~regulations~~) rules of the (~~board~~) agency:

1 PROVIDED, Nothing ((~~herein contained~~)) in this section shall be
2 construed as authorizing the liquor ((~~board~~)) control agency to
3 prescribe, alter, limit or in any way change the present law as to the
4 quantity or percentage of alcohol used in the manufacturing of wine or
5 other alcoholic beverages.

6 NEW SECTION. Sec. 9. A new section is added to chapter 66.08 RCW
7 to read as follows:

8 The director, subject to the provisions of this title and the rules
9 adopted under this title, shall:

10 (1) Establish all necessary warehouses for the storing and
11 bottling, diluting, and rectifying of stocks of liquors for the
12 purposes of this title;

13 (2) Provide for the leasing for periods not to exceed ten years of
14 all premises required for the conduct of the business; and for
15 remodeling the same, and the procuring of their furnishings, fixtures,
16 and supplies; and for obtaining options of renewal of such leases by
17 the lessee. The terms of such leases in all other respects shall be
18 subject to the direction of the director;

19 (3) Execute or cause to be executed, all contracts, papers, and
20 documents in the name of the agency, under such rules as the agency may
21 adopt;

22 (4) Pay all customs, duties, excises, charges, and obligations
23 whatsoever relating to the business of the agency;

24 (5) Require bonds from all employees in the discretion of the
25 director, and to determine the amount of fidelity bond of each such
26 employee;

27 (6) Perform services for the state lottery commission to such
28 extent, and for such compensation, as may be mutually agreed upon
29 between the director and the commission;

30 (7) Perform all other matters and things, whether similar to the
31 foregoing or not, to carry out the provisions of this title, and shall
32 have full power to do each and every act necessary to the conduct of
33 its business, including all buying, selling, preparation and approval
34 of forms, and every other function of the business whatsoever, subject
35 only to audit by the state auditor: PROVIDED, That the director shall
36 have no authority to regulate the content of spoken language on
37 licensed premises where wine and other liquors are served and where

1 there is not a clear and present danger of disorderly conduct being
2 provoked by such language;

3 (8) Determine the localities within which state liquor stores shall
4 be established throughout the state, and the number and situation of
5 the stores within each locality;

6 (9) Appoint in cities and towns and other communities, in which no
7 state liquor store is located, liquor vendors. Such liquor vendors
8 shall be agents of the liquor control agency and be authorized to sell
9 liquor to such persons, firms, or corporations as provided for the sale
10 of liquor from a state liquor store, and such vendors shall be subject
11 to such additional rules consistent with this title; and

12 (10) Determine the nature, form, and capacity of all packages to be
13 used for containing liquor kept for sale under this title.

14 NEW SECTION. **Sec. 10.** A new section is added to chapter 66.08 RCW
15 to read as follows:

16 The director shall prepare, update, and execute an integrated
17 liquor plan that includes, but is not limited to, the following
18 elements:

19 (1) A program to achieve efficiencies and ensure operational
20 integration of regulatory, merchandising, and administrative services;

21 (2) A program of public and consumer information and coordination
22 with other public agencies and private organizations that emphasizes
23 alcohol abuse prevention and responsible consumption; and

24 (3) A strategy for implementation of the plan.

25 **Sec. 11.** RCW 66.08.060 and 1933 ex.s. c 62 s 43 are each amended
26 to read as follows:

27 The ((~~board~~)) agency shall not advertise liquor in any form or
28 through any medium whatsoever. The ((~~board~~)) agency shall have power
29 to adopt any and all reasonable regulations as to the kind, character,
30 and location of advertising of liquor.

31 **Sec. 12.** RCW 66.08.070 and 1985 c 226 s 2 are each amended to read
32 as follows:

33 (1) Every order for the purchase of liquor shall be authorized by
34 the ((~~board~~)) agency, and no order for liquor shall be valid or binding
35 unless it is so authorized and signed by the ((~~board~~)) agency or its
36 authorized designee.

1 (2) A duplicate of every such order shall be kept on file in the
2 office of the ((board)) agency.

3 (3) All cancellations of such orders made by the ((board)) agency
4 shall be signed in the same manner and duplicates thereof kept on file
5 in the office of the ((board)) agency. Nothing in this title shall be
6 construed as preventing the ((board)) agency from accepting liquor on
7 consignment.

8 (4) In the purchase of wine or malt beverages the ((board)) agency
9 shall not require, as a term or condition of purchase, any warranty or
10 affirmation with respect to the relationship of the price charged the
11 ((board)) agency to any price charged any other buyer.

12 **Sec. 13.** RCW 66.08.075 and 1937 c 217 s 5 (adding new section 42-A
13 to 1933 ex.s. c 62) are each amended to read as follows:

14 No official or employee of the ((~~liquor control board of the state~~
15 ~~of Washington~~)) agency shall, during his or her term of office or
16 employment, or for a period of two years immediately following the
17 termination thereof, represent directly or indirectly any manufacturer
18 or wholesaler of liquor in the sale of liquor to the ((board)) agency.

19 **Sec. 14.** RCW 66.08.090 and 1933 ex.s. c 62 s 31 are each amended
20 to read as follows:

21 No employee shall sell liquor in any other place, nor at any other
22 time, nor otherwise than as authorized by the ((board)) agency under
23 this title and the regulations.

24 **Sec. 15.** RCW 66.08.100 and 1935 c 174 s 9 (adding new section 62-A
25 to 1933 ex.s. c 62) are each amended to read as follows:

26 No court of the state of Washington other than the superior court
27 of Thurston county shall have jurisdiction over any action or
28 proceeding against the ((board)) agency or any member thereof for
29 anything done or omitted to be done in or arising out of the
30 performance of ((~~his or their~~)) the member's duties under this title.
31 Neither the ((board)) agency nor any member or members thereof shall be
32 personally liable in any action at law for damages sustained by any
33 person because of any acts performed or done or omitted to be done by
34 the ((board)) agency or any employee of the ((board)) agency in the
35 performance of his or her duties and in the administration of this
36 title.

1 **Sec. 16.** RCW 10.93.020 and 1988 c 36 s 5 are each amended to read
2 as follows:

3 As used in this chapter, the following terms have the meanings
4 indicated unless the context clearly requires otherwise.

5 (1) "General authority Washington law enforcement agency" means any
6 agency, department, or division of a municipal corporation, political
7 subdivision, or other unit of local government of this state, and any
8 agency, department, or division of state government, having as its
9 primary function the detection and apprehension of persons committing
10 infractions or violating the traffic or criminal laws in general, as
11 distinguished from a limited authority Washington law enforcement
12 agency, and any other unit of government expressly designated by
13 statute as a general authority Washington law enforcement agency. The
14 Washington state patrol is a general authority Washington law
15 enforcement agency.

16 (2) "Limited authority Washington law enforcement agency" means any
17 agency, political subdivision, or unit of local government of this
18 state, and any agency, department, or division of state government,
19 having as one of its functions the apprehension or detection of persons
20 committing infractions or violating the traffic or criminal laws
21 relating to limited subject areas, including but not limited to, the
22 state departments of natural resources, (~~(fisheries)~~) fish and
23 wildlife, and social and health services, the state gambling
24 commission, the state lottery commission, the state parks and
25 recreation commission, the state utilities and transportation
26 commission, the state liquor control (~~(board)~~) agency, and the state
27 department of corrections.

28 (3) "General authority Washington peace officer" means any full-
29 time, fully compensated and elected, appointed, or employed officer of
30 a general authority Washington law enforcement agency who is
31 commissioned to enforce the criminal laws of the state of Washington
32 generally.

33 (4) "Limited authority Washington peace officer" means any full-
34 time, fully compensated officer of a limited authority Washington law
35 enforcement agency empowered by that agency to detect or apprehend
36 violators of the laws in some or all of the limited subject areas for
37 which that agency is responsible. A limited authority Washington peace
38 officer may be a specially commissioned Washington peace officer if
39 otherwise qualified for such status under this chapter.

1 (5) "Specially commissioned Washington peace officer", for the
2 purposes of this chapter, means any officer, whether part-time or full-
3 time, compensated or not, commissioned by a general authority
4 Washington law enforcement agency to enforce some or all of the
5 criminal laws of the state of Washington, who does not qualify under
6 this chapter as a general authority Washington peace officer for that
7 commissioning agency, specifically including reserve peace officers,
8 and specially commissioned full-time, fully compensated peace officers
9 duly commissioned by the states of Oregon or Idaho or any such peace
10 officer commissioned by a unit of local government of Oregon or Idaho.
11 A reserve peace officer is an individual who is an officer of a
12 Washington law enforcement agency who does not serve such agency on a
13 full-time basis but who, when called by the agency into active service,
14 is fully commissioned on the same basis as full-time peace officers to
15 enforce the criminal laws of the state.

16 (6) "Federal peace officer" means any employee or agent of the
17 United States government who has the authority to carry firearms and
18 make warrantless arrests and whose duties involve the enforcement of
19 criminal laws of the United States.

20 (7) "Agency with primary territorial jurisdiction" means a city or
21 town police agency which has responsibility for police activity within
22 its boundaries; or a county police or sheriff's department which has
23 responsibility with regard to police activity in the unincorporated
24 areas within the county boundaries; or a statutorily authorized port
25 district police agency or four-year state college or university police
26 agency which has responsibility for police activity within the
27 statutorily authorized enforcement boundaries of the port district,
28 state college, or university.

29 (8) "Primary commissioning agency" means (a) the employing agency
30 in the case of a general authority Washington peace officer, a limited
31 authority Washington peace officer, an Indian tribal peace officer, or
32 a federal peace officer, and (b) the commissioning agency in the case
33 of a specially commissioned Washington peace officer (i) who is
34 performing functions within the course and scope of the special
35 commission and (ii) who is not also a general authority Washington
36 peace officer, a limited authority Washington peace officer, an Indian
37 tribal peace officer, or a federal peace officer.

38 (9) "Primary function of an agency" means that function to which
39 greater than fifty percent of the agency's resources are allocated.

1 (10) "Mutual law enforcement assistance" includes, but is not
2 limited to, one or more law enforcement agencies aiding or assisting
3 one or more other such agencies through loans or exchanges of personnel
4 or of material resources, for law enforcement purposes.

5 **Sec. 17.** RCW 19.02.050 and 1989 1st ex.s. c 9 s 317 are each
6 amended to read as follows:

7 (1) The legislature hereby directs the full participation by the
8 following agencies in the implementation of this chapter:

- 9 (a) Department of agriculture;
10 (b) Secretary of state;
11 (c) Department of social and health services;
12 (d) Department of revenue;
13 (e) Department of (~~fisheries~~) fish and wildlife;
14 (f) Department of employment security;
15 (g) Department of labor and industries;
16 (h) Department of community, trade, and economic development;
17 (i) Liquor control (~~board~~) agency;
18 (j) Department of health;
19 (k) Department of licensing;
20 (l) Utilities and transportation commission; and
21 (m) Other agencies as determined by the governor.

22 **Sec. 18.** RCW 43.17.010 and 1993 sp.s. c 2 s 16, 1993 c 472 s 17,
23 and 1993 c 280 s 18 are each reenacted and amended to read as follows:

24 There shall be departments of the state government which shall be
25 known as (1) the department of social and health services, (2) the
26 department of ecology, (3) the department of labor and industries, (4)
27 the department of agriculture, (5) the department of fish and wildlife,
28 (6) the department of transportation, (7) the department of licensing,
29 (8) the department of general administration, (9) the department of
30 community, trade, and economic development, (10) the department of
31 veterans affairs, (11) the department of revenue, (12) the department
32 of retirement systems, (13) the department of corrections, (~~and~~) (14)
33 the department of health, (~~and~~) (15) the department of financial
34 institutions, and (16) the liquor control agency, which shall be
35 charged with the execution, enforcement, and administration of such
36 laws, and invested with such powers and required to perform such
37 duties, as the legislature may provide.

1 **Sec. 19.** RCW 43.17.020 and 1993 sp.s. c 2 s 17, 1993 c 472 s 18,
2 and 1993 c 280 s 19 are each reenacted and amended to read as follows:

3 There shall be a chief executive officer of each department to be
4 known as: (1) The secretary of social and health services, (2) the
5 director of ecology, (3) the director of labor and industries, (4) the
6 director of agriculture, (5) the director of fish and wildlife, (6) the
7 secretary of transportation, (7) the director of licensing, (8) the
8 director of general administration, (9) the director of community,
9 trade, and economic development, (10) the director of veterans affairs,
10 (11) the director of revenue, (12) the director of retirement systems,
11 (13) the secretary of corrections, ((and)) (14) the secretary of
12 health, ((and)) (15) the director of financial institutions, and (16)
13 the director of the liquor control agency.

14 Such officers, except the secretary of transportation, shall be
15 appointed by the governor, with the consent of the senate, and hold
16 office at the pleasure of the governor. The secretary of
17 transportation shall be appointed by the transportation commission as
18 prescribed by RCW 47.01.041.

19 **Sec. 20.** RCW 42.17.2401 and 1993 sp.s. c 2 s 18, 1993 c 492 s 488,
20 and 1993 c 281 s 43 are each reenacted and amended to read as follows:

21 For the purposes of RCW 42.17.240, the term "executive state
22 officer" includes:

23 (1) The chief administrative law judge, the director of
24 agriculture, the administrator of the office of marine safety, the
25 administrator of the Washington basic health plan, the director of the
26 department of services for the blind, the director of the state system
27 of community and technical colleges, the director of community, trade,
28 and economic development, the secretary of corrections, the director of
29 ecology, the commissioner of employment security, the chairman of the
30 energy facility site evaluation council, the director of the energy
31 office, the secretary of the state finance committee, the director of
32 financial management, the director of fish and wildlife, the executive
33 secretary of the forest practices appeals board, the director of the
34 gambling commission, the director of general administration, the
35 secretary of health, the administrator of the Washington state health
36 care authority, the executive secretary of the health care facilities
37 authority, the executive secretary of the higher education facilities
38 authority, the executive secretary of the horse racing commission, the

1 executive secretary of the human rights commission, the executive
2 secretary of the indeterminate sentence review board, the director of
3 the department of information services, the director of the interagency
4 committee for outdoor recreation, the executive director of the state
5 investment board, the director of labor and industries, the director of
6 licensing, the director of the liquor control agency, the director of
7 the lottery commission, the director of the office of minority and
8 women's business enterprises, the director of parks and recreation, the
9 director of personnel, the executive director of the public disclosure
10 commission, the director of retirement systems, the director of
11 revenue, the secretary of social and health services, the chief of the
12 Washington state patrol, the executive secretary of the board of tax
13 appeals, (~~the director of trade and economic development,~~) the
14 secretary of transportation, the secretary of the utilities and
15 transportation commission, the director of veterans affairs, the
16 president of each of the regional and state universities and the
17 president of The Evergreen State College, each district and each campus
18 president of each state community college;

19 (2) Each professional staff member of the office of the governor;

20 (3) Each professional staff member of the legislature; and

21 (4) Central Washington University board of trustees, board of
22 trustees of each community college, each member of the state board for
23 community and technical colleges, state convention and trade center
24 board of directors, committee for deferred compensation, Eastern
25 Washington University board of trustees, Washington economic
26 development finance authority, The Evergreen State College board of
27 trustees, forest practices appeals board, forest practices board,
28 gambling commission, Washington health care facilities authority, each
29 member of the Washington health services commission, higher education
30 coordinating board, higher education facilities authority, horse racing
31 commission, state housing finance commission, human rights commission,
32 indeterminate sentence review board, board of industrial insurance
33 appeals, information services board, interagency committee for outdoor
34 recreation, state investment board, (~~liquor control board,~~) lottery
35 commission, marine oversight board, oil and gas conservation committee,
36 Pacific Northwest electric power and conservation planning council,
37 parks and recreation commission, personnel appeals board, board of
38 pilotage commissioners, pollution control hearings board, public
39 disclosure commission, public pension commission, shorelines hearing

1 board, public employees' benefits board, board of tax appeals,
2 transportation commission, University of Washington board of regents,
3 utilities and transportation commission, Washington state maritime
4 commission, Washington personnel resources board, Washington public
5 power supply system executive board, Washington State University board
6 of regents, Western Washington University board of trustees, and fish
7 and wildlife commission.

8 **Sec. 21.** RCW 43.82.010 and 1990 c 47 s 1 are each amended to read
9 as follows:

10 (1) The director of the department of general administration, on
11 behalf of the agency involved, shall purchase, lease, rent, or
12 otherwise acquire all real estate, improved or unimproved, as may be
13 required by elected state officials, institutions, departments,
14 commissions, boards, and other state agencies, or federal agencies
15 where joint state and federal activities are undertaken and may grant
16 easements and transfer, exchange, sell, lease, or sublease all or part
17 of any surplus real estate for those state agencies which do not
18 otherwise have the specific authority to dispose of real estate. This
19 section does not transfer financial liability for the acquired property
20 to the department of general administration.

21 (2) Except for real estate occupied by federal agencies, the
22 director shall determine the location, size, and design of any real
23 estate or improvements thereon acquired or held pursuant to subsection
24 (1) of this section.

25 (3) The director is authorized to purchase, lease, rent, or
26 otherwise acquire improved or unimproved real estate as owner or lessee
27 and to lease or sublet all or a part of such real estate to state or
28 federal agencies. The director shall charge each using agency its
29 proportionate rental which shall include an amount sufficient to pay
30 all costs, including, but not limited to, those for utilities,
31 janitorial and accounting services, and sufficient to provide for
32 contingencies; which shall not exceed five percent of the average
33 annual rental, to meet unforeseen expenses incident to management of
34 the real estate.

35 (4) If the director determines that it is necessary or advisable to
36 undertake any work, construction, alteration, repair, or improvement on
37 any real estate acquired pursuant to subsections (1) or (3) of this
38 section, the director shall cause plans and specifications thereof and

1 an estimate of the cost of such work to be made and filed in his office
2 and the state agency benefiting thereby is hereby authorized to pay for
3 such work out of any available funds: PROVIDED, That the cost of
4 executing such work shall not exceed the sum of twenty-five thousand
5 dollars. Work, construction, alteration, repair, or improvement in
6 excess of twenty-five thousand dollars, other than that done by the
7 owner of the property if other than the state, shall be performed in
8 accordance with the public works law of this state.

9 (5) In order to obtain maximum utilization of space, the director
10 shall make space utilization studies, and shall establish standards for
11 use of space by state agencies.

12 (6) The director may construct new buildings on, or improve
13 existing facilities, and furnish and equip, all real estate under his
14 management.

15 (7) All conveyances and contracts to purchase, lease, rent,
16 transfer, exchange, or sell real estate and to grant and accept
17 easements shall be approved as to form by the attorney general, signed
18 by the director or the director's designee, and recorded with the
19 county auditor of the county in which the property is located.

20 (8) The director may delegate any or all of the functions specified
21 in this section to any agency upon such terms and conditions as the
22 director deems advisable.

23 (9) This section does not apply to the acquisition of real estate
24 by:

25 (a) The state college and universities for research or experimental
26 purposes;

27 (b) The state liquor control (~~board~~) agency for liquor stores and
28 warehouses; and

29 (c) The department of natural resources, the department of
30 (~~fisheries, the department of~~) fish and wildlife, the department of
31 transportation, and the state parks and recreation commission for
32 purposes other than the leasing of offices, warehouses, and real estate
33 for similar purposes.

34 (10) Notwithstanding any provision in this chapter to the contrary,
35 the department of general administration may negotiate ground leases
36 for public lands on which property is to be acquired under a financing
37 contract pursuant to chapter 39.94 RCW under terms approved by the
38 state finance committee.

1 NEW SECTION. **Sec. 22.** The following acts or parts of acts are
2 each repealed:

3 (1) RCW 66.08.016 and 1961 c 1 s 30, 1947 c 113 s 2, & 1933 ex.s.
4 c 62 s 65;

5 (2) RCW 66.08.050 and 1993 c 25 s 1, 1986 c 214 s 2, 1983 c 160 s
6 1, 1975 1st ex.s. c 173 s 1, 1969 ex.s. c 178 s 1, 1963 c 239 s 3, 1935
7 c 174 s 10, & 1933 ex.s. c 62 s 69; and

8 (3) RCW 66.08.150 and 1989 c 175 s 122, 1967 c 237 s 23, & 1933
9 ex.s. c 62 s 62.

10 NEW SECTION. **Sec. 23.** Nothing in this act requires the liquor
11 control agency to discard stationery or signs, rename its facilities or
12 stores, or incur similar expenses attributable to the renaming of the
13 agency.

14 NEW SECTION. **Sec. 24.** The code reviser shall prepare and present
15 to the 1995 legislature a bill which corrects references to the liquor
16 control board that are rendered inaccurate by this act.

17 NEW SECTION. **Sec. 25.** Sections 1 through 23 of this act shall
18 take effect July 1, 1995.

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